

In the Matter of)
)
Service Quality, Customer) WC Docket No. 08-190
Satisfaction, Infrastructure and)
Operating Data Gathering)

REPLY COMMENTS OF THE RURAL VERMONT ITCs
ON THE INFORMATION COLLECTIONS

December 15, 2008

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SUMMARY

Franklin Telephone Company, Ludlow Telephone Company, Northfield Telephone Company, Perkinsville Telephone Company, Shoreham Telephone Company, Inc., Topsham Telephone Company and Waitsfield-Fayston Telephone Company, Inc. (collectively, the Rural Vermont ITCs), by their attorney, hereby submit these Paperwork Reduction Act (PRA) and Small Business Paperwork Relief Act of 2002 (SBPRA) reply comments on the information collections contained in the Memorandum Opinion and Order and Notice of Proposed Rulemaking, FCC 08-203, released September 6, 2008 (Order/NPRM), in the captioned proceeding.

Most of the commenters agree that the Commission proposed substantial paperwork burdens without significant benefits. Those commenters therefore oppose the proposed reporting requirements. Some commenters supported the reporting requirements, but they failed to demonstrate any specific federal needs for the data and failed to acknowledge the enormous burdens of compliance. The Rural Vermont ITCs respectfully request the Office of Management and Budget (OMB) to reject the proposed reports, in accordance with the PRA. Alternatively, the Rural Vermont ITCs request the Commission to exempt small ILECs and their affiliates pursuant to the SBPRA.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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TO: The Commission and the Office
of Management and Budget

**REPLY COMMENTS OF THE RURAL VERMONT ITCs
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Northfield Telephone Company, Perkinsville Telephone Company,
Shoreham Telephone Company, Inc., Topsham Telephone Company and
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Act of 2002 (SBPRA) reply comments on the information collections
contained in the Memorandum Opinion and Order and Notice of
Proposed Rulemaking, FCC 08-203, released September 6, 2008
(Order/NPRM), in the captioned proceeding.¹

¹ Service Quality, Customer Satisfaction, Infrastructure and
Operating Data Gathering, Memorandum Opinion and Order and Notice
of Proposed Rulemaking, WC Dockets No. 08-190, 07-139, 07-204,
07-273, 07-21, FCC 08-203 (rel. Sept. 6, 2008) [hereinafter
Order/NPRM].

Most of the commenters agree that the Commission proposed substantial paperwork burdens without significant benefits. Those commenters therefore oppose the proposed reporting requirements. Some commenters supported the reporting requirements, but they failed to demonstrate any specific federal needs for the data and failed to acknowledge the enormous burdens of compliance. The Rural Vermont ITCs respectfully request the Office of Management and Budget (OMB) to reject the proposed reports, in accordance with the PRA. Alternatively, the Rural Vermont ITCs request the Commission to exempt small ILECs and their affiliates pursuant to the SBPRA.² These issues are discussed below.

BACKGROUND

The Rural Vermont ITCs are small ILECs serving rural areas of Vermont. In addition to providing local exchange service, some of the Rural Vermont ITCs have affiliates that provide broadband service, long distance service, and in some instances, cable TV service.

² The NPRM also does not comply with the Regulatory Flexibility Act. This issue is addressed in two separate comments filed today by the Rural Vermont ITCs. Reply Comments of the Rural Vermont ITCs, WC Docket No. 08-190, FCC 08-203 (filed Dec. 15, 2008); Reply Comments of the Rural Vermont ITCs on the Initial Regulatory Flexibility Analysis, WC Docket No. 08-190, FCC 08-203 (filed Dec. 15, 2008).

Several of the Rural Vermont ITCs serve fewer than 2000 lines. They all have fewer than 1500 employees (the size threshold for small businesses under the Regulatory Flexibility Act).³ Some of the Rural Vermont ITCs have fewer than 25 employees (the size threshold for small businesses under the Small Business Paperwork Relief Act of 2002).⁴

Their affiliates are of similar size, or smaller. All of the Rural Vermont ITCs and their staff have fewer than 100 employees. Indeed, the LECs typically share staff with their affiliates.

Given their small size and correspondingly small staff, the Rural Vermont ITCs and their affiliates would be especially impacted by the burdens of complying with any new federal reporting requirements.

I. THERE IS NO SIGNIFICANT FEDERAL BENEFIT TO THE PROPOSED REPORTING REQUIREMENTS

In their Comments, the Rural Vermont ITCs showed that the Commission failed to identify a need for the proposed information collections. Many of the commenters pointed out this omission as

³ NPRM app. C para. 5.

⁴ Id. para. 44.

well.⁵

Only four parties attempted to support the proposed reporting requirements. They are the Michigan Public Service Commission (MPSC), the Texas Office of Public Utility Counsel (TxOPC), the California Public Utilities Commission (CPUC), and Free Press. As shown in the Reply Comments of the Rural Vermont ITCs, the MPSC and TxOPC provided only state-level uses for federal reporting requirements - contrary to the Commission's warning that state reasons would not suffice. The CPUC mimicked the Commission's own generic statements about federal uses for the data - but never explained specifically what data is needed, and why it cannot be obtained from other sources. In addition, as shown by Verizon, all of the data requested by the CPUC is useless for the CPUC's proposed purposes.⁶

Free Press made the fatal error of claiming that there would be no additional burdens for collecting the data.⁷ Free Press failed to acknowledge that the Commission could require huge data collections from thousands of wireless and small ILECs which currently do not collect and report the data. As shown in their

⁵ E.g., Verizon and Verizon Wireless Comments at 2 (there is no need for ARMIS data); AT&T Comments at 3 (FCC must identify a specific need for the data); Sprint Nextel Comments at 4.

⁶ See the Reply Comments of the Rural Vermont ITCs filed today for more details on these issues.

⁷ Free Press Comments at 8.

Reply Comments, the Rural Vermont ITCs estimate that compliance with the proposed reporting requirements could cost hundreds of millions of dollars, depending on the reporting requirements adopted and the range of carriers required to submit the reports.

In sum, the commenters favoring the proposed reporting requirement failed to demonstrate significant benefits to collecting the data, especially in view of the substantial burdens of compliance.

II. THE OMB SHOULD REJECT THE PROPOSED RULES, OR SUPPORT AN EXEMPTION

Eight years ago, when the Commission had not shown a significant benefit for the considerable cost of compliance with proposed ARMIS-type reporting requirements,⁸ the OMB declined to approve the proposed rules.⁹ Similarly, in this proceeding, there would be no significant benefit to the proposed extension of the ARMIS-type reports, but there would be a considerable cost for generating the data and reports. To minimize the burdens on small companies, the Vermont ITCs, the Rural Nebraska LECs, and OPASTCO/WTIA requested the OMB to reject the proposed rules.

⁸ Letter from Edward Springer, OMB, to Judy Boley, FCC, CC Docket No. 00-229 (Jan. 29, 2001).

⁹ 2000 Biennial Regulatory Review - Telecommunications Service Quality Reporting Requirements, Notice of Proposed Rulemaking, CC Docket. No. 00-229, 15 FCC Rcd. 22,113, 22,122 (2000).

Alternatively, OMB could support an exemption for these small companies. But such an exemption should be slightly broader than just the small ILECs themselves. Many small ILECs, such as some of the Rural Vermont ITCs, have affiliates that could become subject to the proposed reporting requirements. These affiliates may provide broadband, long distance or CATV services. The affiliates are smaller than the ILECs themselves, and should not have to bear the burdens of compliance any more than their ILEC affiliates. The Rural Vermont ITCs clarify that if the OMB or the Commission were to carve out an exemption for small ILECs, the exemption should specifically state that it applies to "small ILECs and their affiliates."¹⁰

III. THE SBPRA ALSO COMPELS AN EXEMPTION FOR SMALL ILECS AND THEIR AFFILIATES

For similar reasons, the SBPRA compels an exemption for "small ILECs and their affiliates." Many of the Rural Vermont ITCs, like many small ILECs, have fewer than 25 employees. In addition, the affiliates of these ILECs are smaller than the ILECs themselves, often sharing some of the ILEC staff, instead of having separate full-time employees. In other words, many of the affiliates of the small ILECs have fewer than 25 employees.

¹⁰ The Rural Vermont ITCs explain this exemption in more detail in their Reply Comments filed today.

Pursuant to the SBPRA, the information burden could be reduced by exempting these small ILECs and their affiliates.

If small ILECs and their affiliates with fewer than 25 employees are exempted, it would make sense to similarly exempt all small ILECs and their affiliates, because they all would face similar burdens of compliance.

CONCLUSION

Neither the Commission nor any of the commenters has shown a significant benefit to the proposed reporting requirements - although the information collections would clearly be burdensome. Just as the OMB did not approve the proposed extension of ARMIS reports in 2001, the Rural Vermont ITCs respectfully request the OMB to do the same here and reject the proposed extension of ARMIS-type reports in this proceeding. Alternatively, the OMB or

the Commission should exempt small ILECs and their affiliates
pursuant to the PRA and SBPRA.

Respectfully submitted,
RURAL VERMONT ITCS

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December 15, 2008

CERTIFICATE OF SERVICE

I, Susan J. Bahr, Law Offices of Susan Bahr, PC, certify that on this 15th day of December, 2008, I have sent a copy of the foregoing to the following:

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[filed using ECFS]
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